


Government of the District of Columbia  
Office of the Chief Financial Officer



Jeffrey S. DeWitt  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Jeffrey S. DeWitt  
Chief Financial Officer 

**DATE:** February 25, 2015

**SUBJECT:** Fiscal Impact Statement – Not-for-Profit Hospital Corporation  
Certificate of Need Exemption Congressional Review Emergency  
Amendment Act of 2015

**REFERENCE:** Original draft legislation shared with the Office of Revenue Analysis on  
October 24, 2014

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*The Office of Revenue Analysis originally issued this FIS on October 27, 2014 for the United Medical Center Certificate of Need Exemption Temporary and Emergency Amendment Acts of 2014. We are reissuing the FIS for the Congressional review emergency legislation.*

**Conclusion**

Funds are sufficient in the FY 2015 through FY 2018 budget and financial plan to implement the legislation.

**Background**

The legislation will allow the United Medical Center (UMC) to provide medical services in Wards 7 and 8 without a Certificate of Need, provided that UMC also establish two mobile health clinics to serve Ward 7 and 8 residents within 180 days of passage of the legislation. A Certificate of Need is a permit from the Department of Health (DOH) that people who plan to establish a health care facility must obtain. Typically, DOH charges a fee for issuing Certificates of Need, but UMC does not have to pay these fees since it is a government-funded hospital.

The Certificate of Need exemption will expire one year after the enactment of the permanent version of the legislation.

The Mayor introduced this legislation because the federally funded Healthy Start Program, which provided healthy baby services, was recently defunded and will soon have to cease. The two new

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FIS: "Not-for-Profit Hospital Corporation Certificate of Need Exemption Congressional Review Emergency Amendment Act of 2015," Original draft legislation shared with the Office of Revenue Analysis on October 24, 2014

mobile health clinics will allow UMC to provide some of the services that would otherwise be provided under Healthy Start.

### **Financial Plan Impact**

Funds are sufficient in the FY 2015 through FY 2018 budget and financial plan to implement the legislation. DOH will not lose any expected revenue from exempting UMC from the Certificate of Need requirement since UMC does not pay Certificate of Need fees.

UMC is planning to deploy the two mobile health clinics within the 180-day timeframe.